

## **Corrections to Local Area Unemployment Statistics**

With the release of data for January 2005, the Bureau of Labor Statistics introduced several changes to the Local Area Unemployment Statistics (LAUS) program's methodology for substate areas. Subsequently, BLS has discovered an error affecting one of the employment inputs to the substate estimation process used in all states. This error affects previously published estimated levels of the size of the labor force for all substate areas for January through March 2005, as well as all benchmarked estimates for years 2000 to 2004. Levels of unemployment are not affected, and there is little or no effect on unemployment rates. Over-the-year changes in labor force levels and unemployment rates also would be little affected. (Nonfarm payroll employment estimates are not impacted by the error, nor are the statewide LAUS data for Arizona .)

We are in the process of correcting the erroneous input, as well as reviewing other employment inputs to the substate estimation process. BLS intends to issue corrected January-March 2005 data coincident with the publication of the next Metropolitan Area Employment and Unemployment release, scheduled for June 1. Arizona will issue corrected estimates for substate areas for affected years as they become available. The size of the error on the labor force will vary by metropolitan area, but is not expected to exceed 3 percent in any case.

For more information please call the Local Area Unemployment Statistics program at 202-691-6392 or visit the LAUS program web page:

<http://stats.bls.gov/lau/home.htm>